
State: District of Columbia **Filing Company:** Housing Enterprise Insurance Company, Inc.
TOI/Sub-TOI: 17.2 Other Liability-Claims Made Only/17.2019 Professional Errors and Omissions Liability
Product Name: Professional Liability Coverage Filing
Project Name/Number: /

Filing at a Glance

Company: Housing Enterprise Insurance Company, Inc.
Product Name: Professional Liability Coverage Filing
State: District of Columbia
TOI: 17.2 Other Liability-Claims Made Only
Sub-TOI: 17.2019 Professional Errors and Omissions Liability
Filing Type: Form
Date Submitted: 12/16/2019
SERFF Tr Num: HAPP-132153653
SERFF Status: Submitted to State
State Tr Num:
State Status:
Co Tr Num: HEGL-DC-19-04FO

Effective Date: 02/01/2020
Requested (New):
Effective Date: 02/01/2020
Requested (Renewal):
Author(s): Lynn Crisci, Sharon Raymond
Reviewer(s):
Disposition Date:
Disposition Status:
Effective Date (New):
Effective Date (Renewal):

State: District of Columbia
TOI/Sub-TOI: 17.2 Other Liability-Claims Made Only/17.2019 Professional Errors and Omissions Liability
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Filing Company: Housing Enterprise Insurance Company, Inc.

General Information

Project Name: Status of Filing in Domicile:
Project Number: Domicile Status Comments:
Reference Organization: Reference Number:
Reference Title: Advisory Org. Circular:
Filing Status Changed: 12/16/2019
State Status Changed: Deemer Date:
Created By: Sharon Raymond Submitted By: Sharon Raymond
Corresponding Filing Tracking Number: HAPP-132153812

Filing Description:

Housing Enterprise Insurance Company, Inc. (HEIC), NAIC # 11206, a member of the American Association of Insurance Services, Inc. (AAIS), is domiciled in the State of Vermont and owned by HAPI and Housing Authority Risk Retention Group.

We are filing the following optional claims made forms for Commercial Liability:

Professional Liability Coverage – HACL 2053

This optional endorsement provides professional liability for on-staff attorneys and accountants (CPAs) performing duties in their roles as employees of the insured.

Professional Liability Supplemental Extended Reporting Period – HACL 2054

This optional endorsement allows for a Supplemental Extended Reporting Period

The effective date of this filing is 2/1/2020.

Company and Contact

Filing Contact Information

Lynn Crisci, Asst Dr Product Development lcrisci@housingcenter.com
189 Commerce Ct 203-272-8220 [Phone] 290 [Ext]
Cheshire, CT 06410-0189

Filing Company Information

Housing Enterprise Insurance Company, Inc.	CoCode: 11206	State of Domicile: Vermont
P. O. Box 189	Group Code: 4359	Company Type: Stock
189 Commerce Court	Group Name: HOUSING	State ID Number:
Cheshire, CT 06410-0189	AUTHORITY INS GRP	
(203) 272-8220 ext. 251[Phone]	FEIN Number: 06-1597889	

Filing Fees

Fee Required? No
Retaliatory? No
Fee Explanation:

State:	District of Columbia	Filing Company:	Housing Enterprise Insurance Company, Inc.
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Correspondence Summary

Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Form	Professional Liability Coverage	Sharon Raymond	12/16/2019	12/16/2019

State:	District of Columbia	Filing Company:	Housing Enterprise Insurance Company, Inc.
TOI/Sub-TOI:	17.2 Other Liability-Claims Made Only/17.2019 Professional Errors and Omissions Liability		
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Amendment Letter

Submitted Date: 12/16/2019

Comments:

Form number correction.

Changed Items:

Form Schedule Item Changes

Item No.	Form Name	Form Number	Edition Date	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	Professional Liability Coverage	HAGL 2053 10 19		END	New			HAGL 2053 10 19 Professional Liability Coverage.pdf	Date Submitted: 12/16/2019 By:
<i>Previous Version</i>									
1	Professional Liability Coverage	HAGL 2053 10 19		END	New			HAGL 2053 10 19 Professional Liability Coverage.pdf	Date Submitted: 12/16/2019 By: Sharon Raymond

No Rate Schedule Items Changed.

No Supporting Documents Changed.

State:	District of Columbia	Filing Company:	Housing Enterprise Insurance Company, Inc.
TOI/Sub-TOI:	17.2 Other Liability-Claims Made Only/17.2019 Professional Errors and Omissions Liability		
Product Name:	Professional Liability Coverage Filing		
Project Name/Number:	/		

Form Schedule

Item No.	Schedule Item Status	Form Name	Form Number	Edition Date	Form Type	Form Action	Action Specific Data	Readability Score	Attachments
1		Professional Liability Coverage	HAGL 2053 10 19		END	New			HAGL 2053 10 19 Professional Liability Coverage.pdf
2		Professional Liability Supplemental Extended Reporting Period	HAGL 2054 10 19		END	New			HAGL 2054 10 19 Professional Liability Supplemental Extended Reporting Period.pdf

Form Type Legend:

ABE	Application/Binder/Enrollment	ADV	Advertising
BND	Bond	CER	Certificate
CNR	Canc/NonRen Notice	DEC	Declarations/Schedule
DSC	Disclosure/Notice	END	Endorsement/Amendment/Conditions
ERS	Election/Rejection/Supplemental Applications	OTH	Other

If a Retroactive Date is indicated in the Schedule below, no coverage is provided for "professional liability wrongful acts" which took place prior to that Retroactive Date. Prior to the advancement of a Retroactive Date, "we" must obtain "your" written acknowledgment stating that "you" have been advised of the right to purchase extended reporting period coverage.

(The entries required to complete this endorsement will be shown below or on the "declarations".)

Retroactive Date:

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- B. "Claim" means a demand for money or services, including the bringing of suit or the initiation of alternative dispute resolution proceedings against an "insured".
- C. "Interrelated professional liability wrongful acts" means all "professional liability wrongful acts" that have as a common nexus any fact, circumstance, situation, event, transaction, cause or series of causally connected facts, circumstances, situations, events, transactions or causes.
- D. "Notice of claim" means a "claim" for "damages" made against an "insured" and received by the "insured" or by "us". The notice is deemed to be made as of the time it is received and recorded by any "insured", or by "us", whichever comes first. "Notice of claim" is not the same as the notice which "you" are required to give "us" in What Must Be Done In Case of Loss.

PRINCIPAL COVERAGES

COVERAGE H – PROFESSIONAL LIABILITY

1. "We" will pay all sums that an "insured" becomes legally obligated to pay as "damages" by reason of a "professional liability wrongful act". This coverage applies only if:
 - a. The "professional liability wrongful act" occurred in the "basic territory";
 - b. The "professional liability wrongful act" including "interrelated professional liability wrongful acts" did not occur, or begin to occur, before the Retroactive Date shown in the Schedule, or after the end of the policy period; and
 - c. A "notice of claim" is first made within the policy period or any Extended Reporting Period provided under this coverage.
2. All "claims" for "damages" arising out of the same "professional liability wrongful act" or

"interrelated professional liability wrongful acts" alleged against one or more "insured" by one or more individuals:

- a. Shall be considered a single "professional liability wrongful act" and one "limit" and one deductible shall be applicable; and
 - b. Shall be deemed to have been made at the time the first of those claims is made against any "insured."
3. Notwithstanding the foregoing, a "professional liability wrongful act" including "interrelated professional liability wrongful acts" that began prior to and continued beyond the Retroactive Date will be considered to have taken place solely prior to the Retroactive Date.

DEFENSE COVERAGES

With respect to Coverage H only, Defense Coverage is replaced by the following:

Payments under this coverage are included within the "limits" for Professional Liability Wrongful Acts.

1. "We" have the right and duty to defend a suit seeking "damages", including selection of defense counsel, which may be covered under Coverage H – Professional Liability even if any of the allegations of that suit are groundless, false or fraudulent. "We" may make investigations and settle "claims" or suits "we" decide are appropriate. Suit includes any alternative dispute resolution proceeding involving a "claim" for "damages" that may be covered under Coverage H -- Professional Liability to which:
 - a. "you" must submit; or
 - b. "you" submit with "our" consent.
2. "We" do not have to provide defense after "we" have paid an amount equal to the "limit" as the result of:
 - a. a judgment; or

- b. a written settlement agreed to by "us".
- 3. If "we" defend a suit, "we" will pay:
 - a. The costs taxed to the "insured".
 - b. The expenses incurred by "us".
 - c. The actual loss of earnings by the "insured" for the time spent away from work at "our" request. "We" pay up to \$100 per day.
 - d. The necessary expenses incurred by the "insured" at "our" request.
 - e. Pre-judgment interest awarded against the "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit", "we" will not pay any pre-judgment interest based on that period of time after the offer.
 - f. The interest which accrues beginning with entry of a judgment and ending when "we" tender, deposit in court, or pay up to "our" "limit".
 - g. The cost of appeal bonds or bonds for the release of attachments up to "our" "limit". "We" are not required to apply for or furnish such bonds.

All of the above amounts, including all attorneys' fees, costs and expenses paid by "us" in connection with the investigation and defense of a "claim" or suit are part of, and shall reduce, the applicable "limit" under this Coverage H.

EXCLUSIONS

EXCLUSIONS THAT APPLY ONLY TO PROFESSIONAL LIABILITY

"We" do not pay for:

- 1. A "claim" arising out of any criminal, dishonest or fraudulent act, error or omission by an insured person; however, this exclusion shall only apply if an adverse admission, a

guilty plea, a plea of nolo contendere, a finding of fact, or a final and non-appealable judgment or adjudication established the insured person committed such act, error or omission.

- 2. A "claim" arising out of "bodily injury", "property damage", "medical payments", "products/completed work", or "advertising injury".
- 3. A "claim" arising out of the rendering, or failure to render services as an investment company, investment advisor, trust company, securities broker or dealer, mutual fund manager, financial planner or estate planner.
- 4. A "claim" arising out of any failure to effect or maintain insurance or bond.
- 5. A "claim" arising out of any disputes involving fees or charges.
- 6. A "claim" arising out of a "professional liability wrongful act" attributable to an insured person's capacity or status as an officer, director, partner, trustee, shareholder, member, manager agent or "employee" of a business enterprise other than "you" or during any time the insured person was not employed by "you".
- 7. A "claim" arising out of a "professional liability wrongful act" by an insured person, with or without compensation, for any business enterprise in which that insured person has a controlling interest.
- 8. Defense costs associated with a criminal investigation or proceeding.
- 9. A "claim" arising out of circumstances which the "insured" at the effective date of this Coverage H could have reasonably foreseen as giving rise to a "claim" or suit.
- 10. A "claim" arising out of any prior and pending litigation, as well as future "claims" arising out of any prior and pending litigation. If this policy is a renewal of a policy issued by "us", this exclusion shall only apply with respect to a prior and pending litigation prior to the effective date of the first policy issued and

continuously renewed by "us" that contains this Coverage Section

11. A "claim" for which the "insured" is entitled to indemnity under any other policy or policies the term of which has expired prior to the inception date of this policy, or for which the "insured" would be entitled to indemnity except for the exhaustion of the "limit" of such prior insurance.

WHAT MUST BE DONE IN CASE OF LOSS

The following revisions apply with respect to Coverage H:

1. The Notice provision is replaced by the following:

Notice --

- a. If an "insured" becomes aware of anything that indicates there might be a "claim" covered under Coverage H – Professional Liability Coverage, the "insured" must promptly give written notice to "us" or "our" agent.
- b. The notice to "us" must state:
 - 1) the "insured's" name,
 - 2) the policy number,
 - 3) the time, the place, and the circumstances of the event, and
 - 4) the names and addresses of all known potential claimants.

2. The Other Duties provision is replaced by the following:

Other Duties --

- a. If a "claim" is made or suit is brought, the "insured" must:
 - 1) promptly send to "us" copies of all legal papers, demands, and notices; and
 - 2) at "our" request, assist in:
 - a) a settlement;
 - b) the conduct of suits. This

includes the attendance at trials or hearings;

- c) the enforcing of rights against all parties who may be liable to an "insured" for the injury or damage;
- d) the securing of and giving of evidence; and
- e) obtaining the attendance of all witnesses.

- b. If a "notice of claim" is received, the "insured" must:

- 1) immediately record the specifics of the "claim" and the date received; and
- 2) notify "us" as soon as practical.

HOW MUCH WE PAY

With respect to only Coverage H, How Much We Pay is replaced by the following:

1. The "limits", shown on the Schedule and subject to the following conditions, are the most "we" pay regardless of the number of:

- a. "insureds" under the Commercial Liability Policy;
- b. persons or organizations who sustain injury or damage; or
- c. "claims" made or suits brought.

The payment of a "claim" under Coverage H does not mean that "we" admit "we" are liable under other coverages.

2. The Aggregate Limit shown for Coverage H – Professional Liability Coverage is the most "we" will pay during each annual policy period for "damages", and other sums described in **DEFENSE COVERAGES**, arising out of "claims" covered under Coverage H -- Professional Liability Coverage.
3. The Each Claim Limit, subject to the Aggregate Limit for Coverage H – Professional Liability Coverage, is the most "we" will pay for all "damages", and other sums described in **DEFENSE COVERAGES**,

arising out of a single "claim" covered under Coverage H – Professional Liability Coverage.

4. **Deductible** -- The deductible amount shown on the Schedule will be deducted from the amount of each "claim" when determined, and "we" will be liable only for the loss in excess of that amount.

CONDITIONS

With respect to Coverage H only, the following provisions are added:

1. **Leased Workers** – This coverage is excess over any other insurance, whether primary, excess, contingent, or on any other basis, and shall not contribute with such other insurance if the "professional liability wrongful act" involves professional services performed, in whole or in part, by a leased worker(s).
2. **Settlement of Deductible** -- "We" may pay all or any part of the deductible amount to effect settlement of a "claim" or suit. Upon notification of "our" action, "you" will promptly reimburse "us" for the part of the deductible amount that "we" have paid.
3. **Loss Information** -- Upon written request, "we" will provide "you" with the following loss information within 30 days after the mailing or delivery of "your" request and within 15 days after notice of cancellation or nonrenewal is issued. The information will relate to the Professional Liability Coverage "we" have issued to "you" and will state:
 - a. aggregate information on total closed "claims", including the date and description of the "occurrence", and amount of payments, if any;
 - b. aggregate information on total open "claims", including the date and description of the "occurrence", amount of any payments, and an estimate of any reserves; and
 - c. information on notice of any

"occurrence", including the date and estimate of any reserves.

EXTENDED REPORTING PERIODS

With respect to Coverage H only, the following provisions are added:

1. Provisions Applicable To All Extended Reporting Periods

- a. "We" will provide a Basic Extended Reporting Period and a Supplemental Extended Reporting Period, as described below, if:

- 1) this coverage is cancelled or not renewed for any reason, except for non-payment of premium;
- 2) "we" renew or replace this coverage with other insurance that:
 - a) provides claims made coverage, and
 - b) has a Retroactive Date later than the one shown on the Schedule;or
- 3) "we" replace this coverage with other insurance that does not apply on a claims made basis.

- b. Extended Reporting Periods do not extend the policy period or change the scope of coverage provided. They apply only to "claims" for "damages" that occur before the end of the policy period, but not before the Retroactive Date, if any, shown on the Schedule.

A "claim" made within 12 months after the policy period ends will be considered to have been made on the last day of the policy period, provided the "claim" is for "bodily injury" caused by a "professional liability wrongful act" that occurred, or began to occur, before the end of the policy

period, but not before the Retroactive Date.

Once in effect, Extended Reporting Periods may not be cancelled.

- c. Extended Reporting Periods do not reinstate or increase the "limits" of insurance applicable to any "claim" to which this coverage applies, except to the extent described for Supplemental Extended Reporting Periods

2. Provisions Applicable to Basic Extended Reporting Period

A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period and lasts for:

- a. three hundred and sixty-five (365) days for "claims" arising out of an event which has been reported to "us" not later than 90 days after the end of the policy period, in accordance with the Notice provision in What Must Be Done In Case Of Loss; or

- b. 90 days after the end of the policy period for all other "claims".

3. Provisions Applicable to Supplemental Extended Reporting Period

A supplemental Extended Reporting Period of four hundred and fifty (450) days may be provided by endorsement and for an additional charge. This Supplemental Extended Reporting Period starts when the Basic Extended Reporting Period ends. The additional charge will not exceed 100% of the annual premium for Coverage H. "You" must give "us" a written request for this endorsement not later than 30 days after the end of the policy period.

This additional premium will be fully earned on the effective date of the endorsement issued to confirm the existence of the Supplemental Extended Reporting Period.

Coverage for claims made during the Supplemental Extended Reporting Period is excess over any other valid and collectible insurance under any other policies.

PROFESSIONAL LIABILITY COVERAGE SUPPLEMENTAL EXTENDED REPORTING PERIOD

SCHEDULE

(The information required below may be shown on a separate schedule or supplemental **declarations**.)

Supplemental Extended Reporting Period:

Premium: \$

Coverage H – Professional Liability Coverage is amended as follows:

EXTENDED REPORTING PERIODS

Additional Provisions Applicable to Supplemental Extended Reporting Period

The time for reporting a “claim” which is otherwise covered under Coverage H is the Supplemental Extended Reporting Period shown in the Schedule above. The supplemental period starts when the Basic Extended Reporting Period ends.

HOW MUCH WE PAY

How Much We Pay, Paragraph 2. of Coverage H – Professional Liability Coverage is replaced with the following:

The Aggregate Limit shown for Coverage H – Professional Liability is the most “we” will pay during each annual policy period. It does not apply to “damages” for “claims” first received and recorded during the Supplemental Extended Reporting Period. The Supplemental Coverage H – Professional Liability Aggregate Limit applies only to, and is the most “we” will pay for, “claims” first received and recorded during the Supplemental Extended Reporting Period. This separate “limit” is equal to the aggregate “limit” dollar amount shown in the Schedule for Coverage H.

SERFF Tracking #:	HAPP-132153653	State Tracking #:		Company Tracking #:	HEGL-DC-19-04FO
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State:	District of Columbia	Filing Company:	Housing Enterprise Insurance Company, Inc.		
TOI/Sub-TOI:	17.2 Other Liability-Claims Made Only/17.2019 Professional Errors and Omissions Liability				
Product Name:	Professional Liability Coverage Filing				
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Rate Information

Rate data does NOT apply to filing.

State:	District of Columbia	Filing Company:	Housing Enterprise Insurance Company, Inc.
TOI/Sub-TOI:	17.2 Other Liability-Claims Made Only/17.2019 Professional Errors and Omissions Liability		
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Supporting Document Schedules

Bypassed - Item:	Readability Certificate
Bypass Reason:	N/A Not PPA
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Consulting Authorization
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Copy of Trust Agreement
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Expedited SERFF Filing Transmittal Form
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Explanatory Memo
Comments:	
Attachment(s):	Explanatory Memo FO.pdf
Item Status:	
Status Date:	



EXPLANATORY MEMO

Housing Enterprise Insurance Company, Inc. (HEIC), NAIC # 11206, a member of the American Association of Insurance Services, Inc. (AAIS), is domiciled in the State of Vermont and owned by HAPI and Housing Authority Risk Retention Group.

We are filing the following optional claims made form for Commercial Liability:

- HAGL 2053 10 19 Professional Liability Coverage
- HACL 2054 10 19 Professional Liability Supplemental Extended Reporting Period

The effective date of this filing is 2/1/2020.

State:	District of Columbia	Filing Company:	Housing Enterprise Insurance Company, Inc.
TOI/Sub-TOI:	17.2 Other Liability-Claims Made Only/17.2019 Professional Errors and Omissions Liability		
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Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
11/13/2019		Form	Professional Liability Coverage	12/16/2019	HAGL 2053 10 19 Professional Liability Coverage.pdf (Superceded)

This coverage is written on a claims made basis. This means that only "claims" that are made during the policy period, or during any applicable extended reporting period, are eligible for coverage under this endorsement.

If a Retroactive Date is indicated in the Schedule below, no coverage is provided for "professional liability wrongful acts" which took place prior to that Retroactive Date. Prior to the advancement of a Retroactive Date, "we" must obtain "your" written acknowledgment stating that "you" have been advised of the right to purchase extended reporting period coverage.

COVERAGE H – PROFESSIONAL LIABILITY COVERAGE (CLAIMS MADE BASIS)

(The entries required to complete this endorsement
will be shown below or on the "declarations".)

Professional Liability Wrongful Act Limits: \$ _____ each claim
\$ _____ aggregate

Deductible: \$1,000 each claim

Retroactive Date: _____

The Commercial Liability Coverage is amended
as follows:

DEFINITIONS

The following additional or revised definitions
apply only to Coverage H:

1. The following definitions are added:
 - A. "Professional liability wrongful act"
means any professional services,
including notary public services,
performed solely on behalf of "you"
by a:

- (1) In-house lawyer or accountant in
such capacity and as an
"employee"; and
- (2) Full-time or part-time "employees",
including interns, leased workers,
temporary workers and volunteer
workers, but solely while acting
under the supervision, and at the
direction of an in-house lawyer or
accountant;

"Professional liability wrongful act" does
not include moonlighting or pro bono
services performed by an in-house
lawyer or accountant on a voluntary
basis or as mandated by the "insured"
or any other professional or licensing
agency.

- B.** "Claim" means a demand for money or services, including the bringing of suit or the initiation of alternative dispute resolution proceedings against an "insured".
- C.** "Interrelated professional liability wrongful acts" means all "professional liability wrongful acts" that have as a common nexus any fact, circumstance, situation, event, transaction, cause or series of causally connected facts, circumstances, situations, events, transactions or causes.
- D.** "Notice of claim" means a "claim" for "damages" made against an "insured" and received by the "insured" or by "us". The notice is deemed to be made as of the time it is received and recorded by any "insured", or by "us", whichever comes first. "Notice of claim" is not the same as the notice which "you" are required to give "us" in What Must Be Done In Case of Loss.

PRINCIPAL COVERAGES

COVERAGE H – PROFESSIONAL LIABILITY

- 1. "We" will pay all sums that an "insured" becomes legally obligated to pay as "damages" by reason of a "professional liability wrongful act". This coverage applies only if:
 - a.** The "professional liability wrongful act" occurred in the "basic territory";
 - b.** The "professional liability wrongful act" including "interrelated professional liability wrongful acts" did not occur, or begin to occur, before the Retroactive Date shown in the Schedule, or after the end of the policy period; and
 - c.** A "notice of claim" is first made within the policy period or any Extended Reporting Period provided under this coverage.

- 2. All "claims" for "damages" arising out of the same "professional liability wrongful act" or "interrelated professional liability wrongful acts" alleged against one or more "insured" by one or more individuals:
 - a.** Shall be considered a single "professional liability wrongful act" and one "limit" and one deductible shall be applicable; and
 - b.** Shall be deemed to have been made at the time the first of those claims is made against any "insured."
- 3. Notwithstanding the foregoing, a "professional liability wrongful act" including "interrelated professional liability wrongful acts" that began prior to and continued beyond the Retroactive Date will be considered to have taken place solely prior to the Retroactive Date.

DEFENSE COVERAGES

With respect to Coverage H only, Defense Coverage is replaced by the following:

Payments under this coverage are included within the "limits" for Professional Liability Wrongful Acts.

- 1. "We" have the right and duty to defend a suit seeking "damages", including selection of defense counsel, which may be covered under Coverage H – Professional Liability even if any of the allegations of that suit are groundless, false or fraudulent. "We" may make investigations and settle "claims" or suits "we" decide are appropriate. Suit includes any alternative dispute resolution proceeding involving a "claim" for "damages" that may be covered under Coverage H -- Professional Liability to which:
 - a.** "you" must submit; or
 - b.** "you" submit with "our" consent.
- 2. "We" do not have to provide defense after "we" have paid an amount equal to the "limit" as the result of:

- a. a judgment; or
 - b. a written settlement agreed to by "us".
3. If "we" defend a suit, "we" will pay:
- a. The costs taxed to the "insured".
 - b. The expenses incurred by "us".
 - c. The actual loss of earnings by the "insured" for the time spent away from work at "our" request. "We" pay up to \$100 per day.
 - d. The necessary expenses incurred by the "insured" at "our" request.
 - e. Pre-judgment interest awarded against the "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit", "we" will not pay any pre-judgment interest based on that period of time after the offer.
 - f. The interest which accrues beginning with entry of a judgment and ending when "we" tender, deposit in court, or pay up to "our" "limit".
 - g. The cost of appeal bonds or bonds for the release of attachments up to "our" "limit". "We" are not required to apply for or furnish such bonds.

All of the above amounts, including all attorneys' fees, costs and expenses paid by "us" in connection with the investigation and defense of a "claim" or suit are part of, and shall reduce, the applicable "limit" under this Coverage H.

EXCLUSIONS

EXCLUSIONS THAT APPLY ONLY TO PROFESSIONAL LIABILITY

"We" do not pay for:

- 1. A "claim" arising out of any criminal, dishonest or fraudulent act, error or omission by an insured person; however,

this exclusion shall only apply if an adverse admission, a guilty plea, a plea of nolo contendere, a finding of fact, or a final and non-appealable judgment or adjudication established the insured person committed such act, error or omission.

- 2. A "claim" arising out of "bodily injury", "property damage", "medical payments", "products/completed work", or "advertising injury".
- 3. A "claim" arising out of the rendering, or failure to render services as an investment company, investment advisor, trust company, securities broker or dealer, mutual fund manager, financial planner or estate planner.
- 4. A "claim" arising out of any failure to effect or maintain insurance or bond.
- 5. A "claim" arising out of any disputes involving fees or charges.
- 6. A "claim" arising out of a "professional liability wrongful act" attributable to an insured person's capacity or status as an officer, director, partner, trustee, shareholder, member, manager agent or "employee" of a business enterprise other than "you" or during any time the insured person was not employed by "you".
- 7. A "claim" arising out of a "professional liability wrongful act" by an insured person, with or without compensation, for any business enterprise in which that insured person has a controlling interest.
- 8. Defense costs associated with a criminal investigation or proceeding.
- 9. A "claim" arising out of circumstances which the "insured" at the effective date of this Coverage H could have reasonably foreseen as giving rise to a "claim" or suit.
- 10. A "claim" arising out of any prior and pending litigation, as well as future "claims" arising out of any prior and pending litigation. If this policy is a renewal of a policy issued by "us", this exclusion shall only apply with respect to a prior and pending litigation prior to the effective date of the first policy issued and

continuously renewed by "us" that contains this Coverage Section

11. A "claim" for which the "insured" is entitled to indemnity under any other policy or policies the term of which has expired prior to the inception date of this policy, or for which the "insured" would be entitled to indemnity except for the exhaustion of the "limit" of such prior insurance.

WHAT MUST BE DONE IN CASE OF LOSS

The following revisions apply with respect to Coverage H:

1. The Notice provision is replaced by the following:

Notice --

- a. If an "insured" becomes aware of anything that indicates there might be a "claim" covered under Coverage H – Professional Liability Coverage, the "insured" must promptly give written notice to "us" or "our" agent.
- b. The notice to "us" must state:
 - 1) the "insured's" name,
 - 2) the policy number,
 - 3) the time, the place, and the circumstances of the event, and
 - 4) the names and addresses of all known potential claimants.

2. The Other Duties provision is replaced by the following:

Other Duties --

- a. If a "claim" is made or suit is brought, the "insured" must:
 - 1) promptly send to "us" copies of all legal papers, demands, and notices; and
 - 2) at "our" request, assist in:

- a) a settlement;
- b) the conduct of suits. This includes the attendance at trials or hearings;
- c) the enforcing of rights against all parties who may be liable to an "insured" for the injury or damage;
- d) the securing of and giving of evidence; and
- e) obtaining the attendance of all witnesses.

- b. If a "notice of claim" is received, the "insured" must:

- 1) immediately record the specifics of the "claim" and the date received; and
- 2) notify "us" as soon as practical.

"You" must see to it that "we" receive written notice of the "claim" as soon as practical.

HOW MUCH WE PAY

With respect to only Coverage H, How Much We Pay is replaced by the following:

1. The "limits", shown on the Schedule and subject to the following conditions, are the most "we" pay regardless of the number of:
 - a. "insureds" under the Commercial Liability Policy;
 - b. persons or organizations who sustain injury or damage; or
 - c. "claims" made or suits brought.

The payment of a "claim" under Coverage H does not mean that "we" admit "we" are liable under other coverages.

2. The Aggregate Limit shown for Coverage H – Professional Liability Coverage is the most "we" will pay during each annual policy period for "damages", and other sums described in

DEFENSE COVERAGES, arising out of "claims" covered under Coverage H -- Professional Liability Coverage.

3. The Each Claim Limit, subject to the Aggregate Limit for Coverage H -- Professional Liability Coverage, is the most "we" will pay for all "damages", and other sums described in **DEFENSE COVERAGES**, arising out of a single "claim" covered under Coverage H -- Professional Liability Coverage.
4. **Deductible** -- The deductible amount shown on the Schedule will be deducted from the amount of each "claim" when determined, and "we" will be liable only for the loss in excess of that amount.

CONDITIONS

With respect to Coverage H only, the following provisions are added:

1. **Leased Workers** -- This coverage is excess over any other insurance, whether primary, excess, contingent, or on any other basis, and shall not contribute with such other insurance if the "professional liability wrongful act" involves professional services performed, in whole or in part, by a leased worker(s).
2. **Settlement of Deductible** -- "We" may pay all or any part of the deductible amount to effect settlement of a "claim" or suit. Upon notification of "our" action, "you" will promptly reimburse "us" for the part of the deductible amount that "we" have paid.
3. **Loss Information** -- Upon written request, "we" will provide "you" with the following loss information within 30 days after the mailing or delivery of "your" request and within 15 days after notice of cancellation or nonrenewal is issued. The information will relate to the Professional Liability Coverage "we" have issued to "you" and will state:
 - a. aggregate information on total closed "claims", including the date and description of the "occurrence", and amount of payments, if any;

- b. aggregate information on total open "claims", including the date and description of the "occurrence", amount of any payments, and an estimate of any reserves; and
- c. information on notice of any "occurrence", including the date and estimate of any reserves.

EXTENDED REPORTING PERIODS

With respect to Coverage H only, the following provisions are added:

1. Provisions Applicable To All Extended Reporting Periods

- a. "We" will provide a Basic Extended Reporting Period and a Supplemental Extended Reporting Period, as described below, if:
 - 1) this coverage is cancelled or not renewed for any reason, except for non-payment of premium;
 - 2) "we" renew or replace this coverage with other insurance that:
 - a) provides claims made coverage, and
 - b) has a Retroactive Date later than the one shown on the Schedule;or
 - 3) "we" replace this coverage with other insurance that does not apply on a claims made basis.
- b. Extended Reporting Periods do not extend the policy period or change the scope of coverage provided. They apply only to "claims" for "damages" that occur before the end of the policy period, but not before the Retroactive Date, if any, shown on the Schedule.

A "claim" made within 12 months after the policy period ends will be considered to have been made on the last day of the policy period, provided the "claim" is for

"bodily injury" caused by a "professional liability wrongful act" that occurred, or began to occur, before the end of the policy period, but not before the Retroactive Date.

Once in effect, Extended Reporting Periods may not be cancelled.

- c. Extended Reporting Periods do not reinstate or increase the "limits" of insurance applicable to any "claim" to which this coverage applies, except to the extent described for Supplemental Extended Reporting Periods

3. Provisions Applicable to Basic Extended Reporting Period

A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period and lasts for:

- a. three hundred and sixty-five (365) days for "claims" arising out of an event which has been reported to "us" not later than 90 days after the end of the policy period, in accordance with the Notice provision in What Must Be Done In Case Of Loss; or
- b. 60 days after the end of the policy period for all other "claims".

4. Provisions Applicable to Supplemental Extended Reporting Period

A supplemental Extended Reporting Period of four hundred and fifty (450) days may be provided by endorsement and for an additional charge. This Supplemental Extended Reporting Period starts when the Basic Extended Reporting Period ends. The additional charge will not exceed 100% of the annual premium for Coverage H. "You" must give "us" a written request for this endorsement not later than 30 days after the end of the policy period.

This additional premium will be fully earned on the effective date of the endorsement issued to confirm the existence of the Supplemental Extended Reporting Period.

Coverage for claims made during the Supplemental Extended Reporting Period is excess over any other valid and collectible insurance under any other policies.